

**FY2007 – FY2011
Strategic Plan**

*“Providing Business Solutions for Idaho
State Government”*

July 1, 2006

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Our Mission

To provide responsive, cost effective, and timely support services to Idaho's policy makers and public agencies as they serve Idaho citizens.

Our Program Description

The Department of Administration is a client-oriented organization dedicated to providing quality, cost-effective, administrative, technical, and support services to state agencies, policy makers, and other public entities.

Our charge is to provide business management and administrative services that improve the productivity and quality of Idaho government.

Our team is committed to offering leadership, expertise, and value-added services within the following management functions:

- Group, Liability and Property Insurance
- Administrative Rules
- Building Design, Management, Leasing, Construction and Maintenance
- Procurement, Surplus Property, and Document Management
- Public Safety Communications
- Voice/Data/Video Network and Internet Coordination
- Postal and Quick Copy
- Information Technology Policy, Research and Development
- Workers Compensation Second Injury Management

Our Guiding Values

We operate with a high degree of personal responsibility and initiative. We embrace the following values:

- **Integrity and Honesty**
Be honest, dependable, fair, credible, and trustworthy. Openly acknowledge mistakes, seek to correct them, and learn from them.
- **Customer Service**
Serve our customers to the fullest extent possible and treat them with respect and professionalism.
- **Innovation**
Demonstrate initiative and flexibility in promoting and responding to challenges and change.
- **Commitment to Success**
Foster a mature, healthy workplace, and through our good work the citizens of Idaho will benefit.
- **Commitment to Communication**
Believe that open, positive, and honest communication is critical to our employees, our customers, and the citizens of Idaho.

Goal One: Provide Quality and Value in Service and Project Delivery

Objectives	Performance Measures / Targets	Benchmarks	Key Strategies	Action Plan	External Factors
Deliver major construction projects with minimal change orders	Following award of construction contract, < 5% increase of total project costs for typical construction, <10% increase of total project costs for remodel or specialized construction	Achieve targets in 75% of all projects ¹	<ul style="list-style-type: none"> For specialized construction, ensure greater coordination between all stakeholders – architects and engineers, for example. Pursue pre-qualification of contractors. Hold design consultants accountable for the quality of construction documents, and for construction administration. 	<ul style="list-style-type: none"> Develop written guidelines regarding accountability of architects and engineers for errors and omissions. Develop draft pre-qualification criteria. Coordinate with other state agencies to review existing qualification procedures or criteria. 	<ul style="list-style-type: none"> Escalating construction costs Concealed or unforeseen conditions Agency requests for changes
Deliver purchasing contracts on time	90% of contracts delivered on-time per mutually-agreed upon schedule by agency and the Division of Purchasing	90% of contracts delivered on-time ²	<ul style="list-style-type: none"> Partner with agencies to develop requirements for major procurements. Identify re-procurements in advance. Streamline re-occurring procurements. 	<ul style="list-style-type: none"> Develop and implement a staff assistance plan for agencies. Automate the contract renewal/re-bid process Automate vehicle and photocopier purchases/leases. 	<ul style="list-style-type: none"> Available vendors Vendor questions Agency turn-around time for questions Agency evaluation times
Develop and improve telecommunication infrastructure	35% for FY07 40% for FY08 45% for FY09 50% for FY10 55% for FY11	36% of projects completed on time and on budget ³	<ul style="list-style-type: none"> Transition to narrowband public safety radio systems and improve interoperability. Aggressively bid or renew service contracts. 	<ul style="list-style-type: none"> Incorporate 700 MHz radio, optical fiber, and satellite into Idaho state government's public safety backbone. Enhance radio system reliability and coverage to meet user needs 	<ul style="list-style-type: none"> Available funding Availability and ability of employees, service providers, and contractors

			<ul style="list-style-type: none"> Assess and adapt to Federal Telecommunications reform legislation. 	<p>and regulations.</p> <ul style="list-style-type: none"> Transition to new Internet and long-distance service contracts. Use trade publications and associations to proactively monitor and report on federal legislation. 	<ul style="list-style-type: none"> Training opportunities Division workload Department priorities Changes in public policy
Provide cost effective insurance services to customers	<p>Annual insurance rate increases for medical/dental cost increase are within 2% of current industry benchmark.</p> <p>Annual rate of increase for risk insurance is within 2% of current industry benchmark.</p>	<p>Industry benchmark is established at the end of each fiscal year. ⁴</p> <p>Industry benchmark is established at the end of each fiscal year. ⁵</p>	<ul style="list-style-type: none"> Expand cost containment and management efforts in the Employee Benefit Program. Develop state agency resources to assist the Department in managing costs. 	<ul style="list-style-type: none"> Continue to develop and expand the State Employee Wellness Program. Develop and implement an employee/retiree education/communication plan that will give participants the tools to effectively manage their individual medical costs. Develop and Implement an employee benefits education program for agencies that will raise the level of expertise of agency staff. Develop and implement a risk management education program that will raise the level of expertise of agency professionals. 	<ul style="list-style-type: none"> Medical inflation Federal mandates Idaho legislative mandates Provider medical network changes Federal Statewide Cost allocation Program (SWAP) regulations Natural Catastrophes Regulatory Changes Idaho Legislative Mandates

					<ul style="list-style-type: none"> • Higher costs for building materials used in construction • Federal Statewide Cost Allocation Program (SWCAP) regulations • Adverse Judicial rulings
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Goal Two: Deliver Excellent Customer Service

Objectives	Performance Measures /Targets	Benchmarks	Key Strategies	Action Plan	External Factors
Promote a Customer Service Culture	Average score of at least "Highly Satisfactory" (4) on customer service survey.	Rating of "4" (Highly Satisfactory) on the Likert Scale for measuring attitudes, in this case our customers' attitudes in regard to the Department's level of service. ⁶	<ul style="list-style-type: none"> • Develop and write a Customer Service philosophy. • Educate staff regarding other state agencies' missions. • Identify practices that will empower front line staff. • Educate staff and agencies on Department's policies and strategic plan. • Tailor survey to reflect customer service philosophy. • Pursue opportunities for external recognition of Customer Service Excellence. • Educate our customers on capabilities and services of the Department • Launch E-newsletter • Update the current Web-site and create a customer service page. 	<ul style="list-style-type: none"> • Create a Department-wide, cross-functional, customer service team. This team will: <ul style="list-style-type: none"> ○ Coordinate with all areas of the Department to determine customer service strategies. ○ Develop service measures for standard procedures. ○ Using gathered information, develop the Department's philosophy for review. ○ Develop strategy for disseminating the philosophy. ○ Identify barriers to decision-making and empowerment through internal focus groups. ○ Develop training programs to educate staff on policies and strategic plan. • Issue annual customer service survey. • Develop speakers' bureau and workshops--identify and invite subject matter experts on key issues. • Develop format, content, and process for the E-newsletter. • Identify content for new customer service page on Department website. 	<ul style="list-style-type: none"> • Administration's employee turnover due to economical changes • Employee turnover in other agencies • Changes in Department's/ State's priorities • Available funding to expand website, newsletters, and other outreach tools

Goal Three: Pursue Continuous Improvement in Internal Management

Objectives	Performance Measures / targets	Benchmarks	Key Strategies	Action Plan	External Factors
Increase timeliness of ad-hoc financial reports to support management decisions	Reports delivered within 72 hours of request.	85% of all reports to be delivered within 72 hours ⁷	<ul style="list-style-type: none"> • Increase availability of relevant/applicable standard reports available. • Educate users to access and utilize reports independently. 	<ul style="list-style-type: none"> • Identify information needed for each program. • Identify current ad-hoc reports that have been requested and determine which ones lend themselves to standard reporting. • Set up internal training on what reports are available and how to run them. • Explore feasibility of automatically generated reports. 	<ul style="list-style-type: none"> • Department financial system capabilities • Programming requirements • Accounting system operability • Available data • Available consultants
Recruit and Retain a Quality Workforce	Key positions filled within 45 days of vacancy	80% of key positions to be filled within 45 days of vacancy ⁸	<ul style="list-style-type: none"> • Create strategies for developing current employees as candidates for future positions. • Create strategies to recruit or develop external candidates for future positions. 	<ul style="list-style-type: none"> • Review key positions, and required competencies/requirements. • Identify potential internal resources for filling key positions. • Develop training and cross-training program for potential internal candidates; identify development opportunities for high performer/potential employees. • Identify key positions where external recruitment is necessary; identify potential recruitment pools. • Develop, where possible, internship programs with colleges and universities for key positions. 	<ul style="list-style-type: none"> • State personnel recruitment requirements • Remote location of job vacancy • Booming economy—more private sector job opportunities and higher wages.

Optimize the management of Department assets	<p>1. (Future measure for IT asset management--to be determined) ⁹</p> <p>2. 65% of fleet meet benchmark (FY07) 70% (FY08) 75% (FY09) 80% (FY10) 85% (FY11)</p> <p>3. 10% of buildings operated by Facilities Services achieve target by FY08 15% by FY09 20% by FY10 25% by FY11</p>	<p>At least 6,000 annual miles driven for each full-time use passenger vehicle. ¹⁰</p> <p>FCI (Facility Condition Index) Ratio of $\leq .1$ ¹¹</p>	<p>Identify asset areas, in addition to IT, facilities, and vehicle fleet for optimization.</p> <p>Identify benchmarks from other states and organizations</p> <p>Develop and implement review against benchmarks</p> <p>Develop draft standards for review.</p> <p>Strive to invest 2-5% of buildings' value in repair and maintenance annually.</p>	<ul style="list-style-type: none"> • Inventory needs and applications of the identified areas and consolidate as appropriate. • Bring IFAS in house to contain. • Once benchmarks have been identified and reviewed, evaluate Department performance against benchmarks and refine. • Develop draft standards based on benchmark performance. • Evaluate best practices for managing IT. Develop benchmarks and performance targets for IT by June 2007. • Review and refresh IT plan. • Pursue annual appropriation of Permanent Building Funds for deferred maintenance. 	<ul style="list-style-type: none"> • Available funding • Availability and ability of employees, service providers, and contractors • Training opportunities • Division workload • Department/state priorities • Access to structured IT research • Agency program/facility priorities • Inflation of construction costs
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Endnotes:

- ¹ *This benchmark will be re-evaluated after gathering data during the first fiscal year. In subsequent years, the benchmark will be adjusted to challenge our higher performance.*
- ² *This benchmark will be re-evaluated after gathering data during the first fiscal year. In subsequent years, the benchmark will be adjusted to challenge our higher performance.*
- ³ *The Stanish Group in 2004 published a research report on the resolution of IT projects. Its research of over 50,000 completed IT projects indicated only 29% were completed on time and within budget. Separately, GAO in March 2004 published a report on federal E-government initiatives. Thirty-three of ninety-one objectives (36%) were fully or substantially completed. We have selected the higher success rate as our benchmark and have adjusted our targeted performance to be more realistic.*
- ⁴ *This benchmark comes from the Watson Wyatt regional (intermountain region) index of average medical/dental cost increase for the most recent plan year. The Watson Wyatt survey is conducted annually and is generally considered to be the most comprehensive and representative of the various surveys concerning employee benefits. It surveys the most companies and has the broadest breadth of any national survey and therefore provides a good benchmark for measuring the State of Idaho's success in providing cost effective insurance benefits.*
- ⁵ *This benchmark is the cost of insurance as published in the State Risk and Insurance Management Association (STRIMA) annual cost of insurance survey. STRIMA is the national risk management association that is exclusively for state risk management programs. It compiles and publishes an annual survey of the members' cost of risk data, and is the most comprehensive compilation of risk management cost information assembled that is limited to state risk management programs. It provides a consistent cost comparison of how Idaho's risk management program is performing against its peer states.*
- ⁶ *According to A.N. Oppenheim, author of Questionnaire Design and Attitude Measurement, the reliability of Likert Scales tend to be good. They perform well when it comes to a reliable, rough ordering of people with regard to a particular attitude. The Likert Scale measurement ranges are: "Superior", "Highly Satisfactory", "Acceptable", "Marginal", "Unsatisfactory", and "Not Applicable". These six positions are given weights of 5,4,3,2,1,0 respectively, for scoring purposes.*
- ⁷ *The benchmark will be re-evaluated after gathering data during the first fiscal year. In subsequent years, the benchmark will be adjusted to challenge our higher performance.*
- ⁸ *The benchmark will be re-evaluated after gathering data during the first fiscal year. In subsequent years, the benchmark will be adjusted to challenge our higher performance.*

- ⁹ *Cursory research into performance targets and benchmarks for the public sector was inconclusive. Gartner Group research reports published in 2003, 2005, and 2006 suggest a number of best practices and approaches including “total cost of ownership” and return on IT assets.” Further research and a better understanding are required.*
- ¹⁰ *The mileage benchmark selected is based on the Office of Performance Evaluation’s October 1998 report 98-03, and is consistent with the Department’s fleet management policy. Any full-time use passenger vehicle driven less than 6,000 annual miles is subject to review by executive staff and will be considered for transfer.*
- ¹¹ *The Facilities Condition Index (FCI) is an indication of the deficiency value rating of a building. It is calculated by dividing the estimated cost of current deficiencies by the replacement value of the facility and is typically expressed as a percentage. National standards suggest that buildings with an FCI of 0% to 5% are in good condition, 5% to 10% are in fair condition and those greater than 10% are in poor condition. Our Capitol Mall facilities currently have \$24 million in deferred maintenance.*

Deferred Maintenance (\$)

Current Replacement Value (\$)